4.1 Business Ethics Management System

Introduction

Business Ethics is the set of rules which set out the expectations for companies to operate in compliance with legal requirements by following a set of moral standards.

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Bribery and corruption are significant obstacles to economic and social development, particularly affecting poor communities. It impedes business growth, increases costs and presents serious legal and reputational risks. It also increases the costs of business transaction and government services, and results in unfair competition. Customers and investors also understand that corruption can negatively impact value and pose financial, operational and reputational risks to their investments and brand.

The 10th Principle of the UN Global Compact states that "Businesses should work against corruption in all its forms, including extortion and bribery" and tougher anti-corruption laws and regulations continue to be established worldwide. As a result, every company needs robust anti-bribery and corruption policies and procedures to protect their reputations and the interests of their customers, employees and other stakeholders.

The purpose of this chapter is to help companies put in place a management system to control the business integrity issues they are likely to face. This guidance explains the systems you need to manage business integrity standards in your company.

Ensuring your company has good management systems in place will help you to meet your customers' needs and comply with the law. Research has also shown that improving business integrity standards is good for your business, saving money in transaction costs and enhancing your company's reputation with your customers and the community.

The purpose of this guidance is to explain the key elements of a management system that will help you put in place a management system to avoid common violations of these standards and to address problems if they arise. As outlined in the following chapters, management systems do not need to be complex to be efficient and beneficial.

Throughout this chapter you will see boxes with the below symbols. These boxes contain useful tips and tools which will help you implement the guidance in your own business.

Tips – Practical guidance points on how to implement management systems

Good practice – Examples of how to embed mature management systems in your day to day practices

Business Ethics Management System

What does it mean?

A management system is the way a company runs its day-to-day operations, makes decisions and helps avoid recurrence of common problems. Every company, from multinational corporations to small holder farms, has one in some form or another. You may currently have an informal system, with your staff and workers relying mostly on verbal direction and not much in the way of documentation or formal checking to see if things are working properly.

If you operate a more advanced system, you probably have written policies and procedures in place, your employees are trained so they fully understand what to do and how to do it, and there's a process to check that your policies and procedures are being followed. A more formal business ethics management system will support you in meeting legal and customer business ethics compliance and sustainability standards, throughout your operations. Your system will help make sure that potential business ethics impacts are identified, evaluated and controlled, responsible business practices are followed, that workers are thoroughly trained on the business ethics impacts of their jobs and are encouraged to report business ethics issues, limits are established on the amount and frequency of business gifts given and received, employees report any potential financial conflicts of interest, and customer intellectual property is properly protected.

The biggest distinction between having a simple or an advanced management system is how good a job you do at avoiding a problem rather than just trying to fix it after it happens. For example: a basic system reacts when a customer audit finds that the company has been routinely accepting expensive gifts from a key supplier, potentially influencing the company's process for awarding contracts, while an advanced system identifies the risk of this happening so you can take steps to control the issue before it becomes a significant problem, such as by establishing a policy prohibiting accepting anything of value from suppliers, training all employees on the policy, and requiring employees to report whenever they have been offered an expensive gift, such as tickets to a sporting event or dinner at a restaurant.

Sedex has created a Management Controls Report for companies that complete a Self-Assessment Questionnaire. It calculates a score based on SAQ answers on how you manage labour, health and safety, environment, business ethics and supplier management in your business.

> ⭐ *Throughout the guidance any section marked with a star will help provide guidance on how to improve your score. Once you have implemented the guidance, update your SAQ and see if/how your score improves.*

To find out more about the Sedex SAQ please **click here**

Key Elements of a Management System

What steps do I need to take?

The path to an advanced management system starts with adopting the following basic system elements, which will be described in more detail further down:

Policies describe your commitments and goals for example, to ensure that the company's business practices comply with applicable anti-corruption and bribery laws and that there will be no retaliation against employees who refuse to act unethically, such as refusing to make a facilitation payment to a government official.

Resources refers to the staffing, roles, responsibilities, knowledge and skills needed for carrying out your procedures in a way that meets the intent of your policies. For example, Procurement teams will need to be provided with information and training to perform their jobs in an ethically responsible way. This means they need to know to report any conflicts of interest that could influence their decision-making, such as a supplier being owned by a close relative. They would also need to understand that they could not accept any gifts from suppliers and contractors that could violate the company's gift giving and receiving policy, and to report when they are given or offered anything of value.

Procedures are the step-by-step instructions that together make up a **process**. For the process to evaluate and control significant business ethics risks, procedures would include identifying and evaluating potential **bribery** and **corruption** risks and ranking them in order of significance. These procedures include '**risk controls**' which help to prevent the risk from occurring or minimizing their impact if they do. Examples of control procedures include such things as limiting access to customer and supplier proprietary information to specifically authorized individuals, routinely or continuously monitoring expense reports for line items labelled as gifts, goodwill, or facilitation payments, and a way for individuals to report and for you to investigate allegations of violations of your business ethics policy.

Documentation refers to the written documents and records needed to make sure that your procedures are followed consistently and demonstrate your compliance with legal and customer requirements. This may mean making sure that procedures for tasks with known potential for **bribery** and **corruption** – such as working with local customs officials to arrange authorization for international shipments - are written down so that everyone doing the job does it the right way. It could also involve keeping records of reported cases of bribery and actions taken as a result of these reports.

Monitoring is how you check whether your procedures are being followed and working as intended and whether you're compliant with the law and your customers' standards. This could involve routine monitoring of allegation of business ethics policy violations received from employees and external parties, performing self-audits of the effectiveness of your control procedures, such as protection of customer information.

Communication and Training builds staff awareness and ability through information and instruction. At a minimum all your employees should know about your policies and procedures, how to perform their jobs to prevent violation of your business ethics policies, and what the law says. All workers whose jobs involve dealing with government officials, suppliers, contractors and customers should know the specific procedures they need to follow to make sure that their dealings with these parties and the decisions they make are not improperly influenced or violate applicable legal requirements.

Improvement means addressing compliance issues by finding and removing the root cause of the problem for example, workers who manage supplier contracts not knowing that they should not accept anything of value from the suppliers they manage, which may require retraining the employees on the company gift policy, making sure they report any gifts offered to them, regardless of value, and adding to the term and conditions of all suppliers contracts that the company does not allow its employees to receive anything of value from suppliers and contractors.

The section below provides more information on each of these elements as well as tools, tips and checklists to help you to implement these systems in your company.

Requirements

What do you need to do and how do you do it?

> ⭐ **The next two sections will show you how you can improve your "Policies and Resources" score.**

📋 Policies

You should, at a minimum, have a system to comply with all applicable business ethics laws and standards, and customer requirements. Adopting a systems approach to business ethics management will help you address this in your business and with your suppliers.

Your policies state your company's values; what does the company stand for – what is acceptable and not acceptable to the business. At a minimum, they need to give a commitment to complying with the law, international standards, and your customers' requirements and should be signed by the most senior manager of your company. Possible business integrity policy topics include:

- Compliance with all applicable business ethics legislation and customer requirements

- Prohibition of **corruption** in any form, including:

  - Giving or accepting bribes,

  - Coercing employees to violate business ethics laws

  - Making facilitation payments to government officials to expedite performance of an administrative function

- Compliance with applicable anti-corruption laws and regulations, including the US Foreign Corrupt Practices Act and the UK Bribery Act.

- Prohibition of gift giving or receiving of anything of value from the company's suppliers and contractors.

- Requirement for employees to declare any potential conflicts of interest.

These commitment statements set the objectives for the rest of your system to achieve, and let your customers, suppliers, your own employees and the public know what you stand for.

Defining Conflicts of Interest

- Significant financial interest in a partner, supplier, or competitor

- Conducting business with a partner, supplier, or customer when someone with whom you have a close personal relationship (e.g. a family member) has a major position in that company.

- Outside employment with business partner, supplier, or competitor

- Working for a government agency with regulatory authority over the company or that buys from the company.

Resources

You will need to assign **roles and responsibilities** to your staff and employees, and time to carry them out, to make sure that the people responsible for implementing processes, policies and procedures understand and consistently follow them.

✔ Assign a senior manager with defined responsibility and accountability for meeting the objective of your business ethics policy and overseeing how the management system is working. *For example, a manager has the job both of making sure the system is functioning (that is, that your procedures meet legal and customer requirements and that they are being followed) and that you are achieving your business ethics policy objectives – meaning that your procedures are effectively preventing bribery, corruption and other unethical business practices.*

✔ Also make sure your managers, supervisors, and employees have clearly defined roles and responsibilities. *For example, responsibility for making sure that employees are aware of your company's business ethics policy, are given job-specific training where their activities could have business ethics implications, and understand their responsibility to participate in your company's business ethics programs, such as reporting conflicts of interests and not accepting anything of value from your company's suppliers and contractors*

Processes and Procedures

⭐ **The next two sections will show you how you can improve your "Processes" score through introducing procedures and ensuring things are documented.**

Your **processes and procedures** are the "who-what-how" instructions that need to be followed as part of your day-to-day operations to meet both your business objectives and your policies. Procedures can function as '**risk controls**' which are designed to address a specific identified risk, like accepting gifts or bribes. For example, to make sure your policy to minimize business ethics legal violations is met, you will need to have procedures for your various process areas. *One procedure to control the risk of violating the US Foreign Corrupt Practices Act prohibition of offering bribes to government officials would be to clearly define how all government interactions and transactions are to be performed, including the legal fee payments for different types of services (for example, issuing a work visa for a foreign contract worker), in order to ensure that your employees are not being asked to pay government officials more than the legal amount.*

Examples of the business ethics procedures you should have include:

✔ A way to stay up to date on business ethics laws, regulations and your customer's anti-bribery and corruption requirements.

✔ A way to identify compliance risks, ideally before something goes wrong, so that you can put controls in place. *For example, a procedure to make sure you identify the business ethics risks before doing business in a country with a poor Corruption Perceptions Index score. If you don't have a way to do this, your operation could unknowingly be involved in violations of your customers' ethics code of conduct requirements and you could lose business as a result.*

✔ Procedures to comply with all applicable business ethics laws, regulations and customer requirements. *For example, you will need ways to make sure you engage only properly licensed and vetted recruitment agents, to avoid the risks of **bribery** and **corruption** of government immigration officials or of unethical recruitment practices, which could include charging workers illegal fees and deposits.*

✔ A way to receive, investigate and address complaints or concerns from your workers and external parties about business ethics issues and violations of your policies, including a way for them to file a report anonymously.

✔ Choosing your suppliers and on-site service providers based on whether they can meet business ethics legal standards, customer requirements and your own policies. This should be considered for service providers such as your logistics companies, as well as goods providers and your labour providers.

Bribery & Corruption Risk Assessment

Achieving compliance with the UK Bribery Act and the US Foreign Corrupt Practices Act requires an effective program to identify and address compliance risks.

Companies should begin by implementing a formal bribery risk assessment process that includes:

- Geographic risk. Countries where a company does business should be risk ranked on:

  - Volume of business in the country

  - Corruption risk (Transparency International's Corruption Perceptions Index)

  - Degree of interaction with government officials

  - Outsourcing of key functions (e.g. logistics and recruitment)

- Review financial audit reports for non-operational expenses (e.g. contributions, gifts, travel and entertainment.

- Evaluate records of allegations of policy violations and other unethical behaviour.

- Develop a plan to address identified risks, including improving existing control procedures, as needed.

Documentation

To carry out policies, processes and procedures consistently, regardless of staff changes, documentation (written instructions) is important. You should also keep formal records (of business ethics allegations, how you investigated and resolved an business ethics complaint from one of your supplier's competitors, or records of specialized business ethics training, for example) that show what you have done to conform with applicable legal requirements, international standards and customer requirements. This includes:

✔   An up-to-date register of all applicable laws, regulations and customer codes of conduct.

✔   Formal records such as financial audit reports, records of employee conflict of interest notifications, employee non-disclosure agreements, etc.

✔   Copies of internal and third-party audit reports, and compliance inspection reports by regulatory agencies.

✔   <u>**Corrective action**</u> plans and records that show improvement actions were taken and solve the problem

Other Business Practices of Concern

Although bribery and corruption are significant issues, other business practices of concern include:

● Undocumented agreements with customers, business partners, or suppliers

● Backdating of contracts or other documents

● Creation of side agreements outside of the defined contracting processes

● Establishment of "off-the-book" funds or accounts

Monitoring

The next section will show you how you can improve your "Monitoring and Data Capture" score

Ongoing **monitoring** is the only way to know if your policies, processes and procedures are being followed and having the intended effect. *This process can take many forms but should be on-going so you can adjust how you are doing things as soon as needed. For example, a mechanism for workers and the public to report business ethics concerns is a good monitoring tool and can let you know if your business practices might be putting some local suppliers at a competitive disadvantage or if there are improvement ideas that should be acted upon.*

Monitoring includes:

✔   Internal or 3rd party audits.

✔   Setting and measuring progress on Key performance indicators (KPIs). *Examples of KPIs include the number of ethics allegations per quarter, the percentage of employees who have received business ethics training in the past year, the percentage of ethics allegations of the same type or same root cause, the number of identified noncompliant business practices addressed in the established timeframe, and the percentage of reported business ethics concerns resolved to the satisfaction of the community.*

✔   Regular worker surveys to measure to measure their understanding of the potential business ethics impacts of their jobs and to provide feedback on any previously unidentified business ethics compliance issues.

Gift Giving and Receiving Decision Tree

Creating a decision tree for different policies will help workers to understand the rules and processess when they are unsure what to do in difficult circumstances. An example is how to manage the giving and receiving of gifts as below.

What is Appropriate?

- No expectation of anything in return
- Not specifically excluded by Company gift policy
- Fully transparent
- For a legitimate business purpose
- Complies with law and policies of giving and receiving parties
- For an event, the guest is not the only invitee

What is Reasonable Value?

- Does not exceed threshold in Company policy
- Is not of significant personal value to the receiver
- Legally compliant
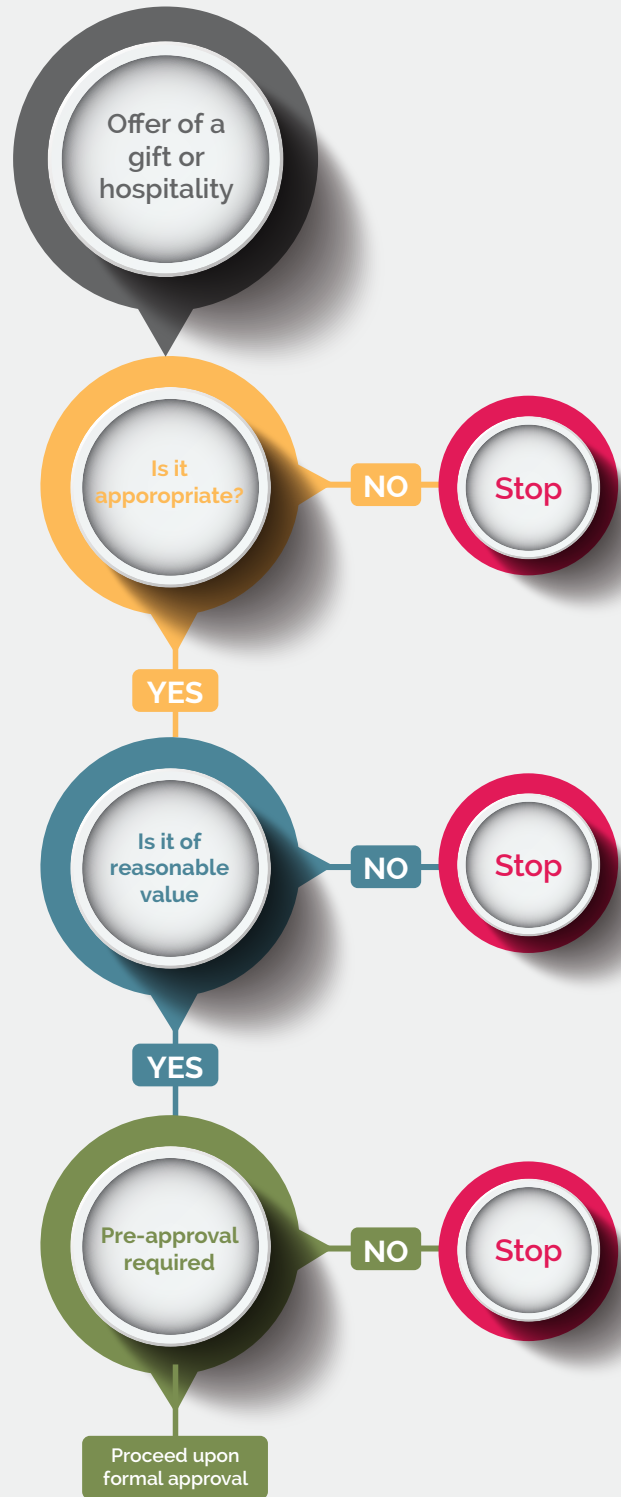
Pre-Approval Requirements

Receiver

- If value is more than USD 200 or difficult to determine

Giver

- Any travel or hospitality item
- Receiver is in government or public sector

Offer of a gift or hospitality

Is it apporopriate? — NO → Stop

YES

Is it of reasonable value — NO → Stop

YES

Pre-approval required — NO → Stop

Proceed upon formal approval

Communication and Training

To make sure your policies, processes and procedures are implemented effectively, it is important that you:

✔ Give basic training to all your managers, supervisors and workers on your business ethics policies and related procedures.

✔ Provide in-depth skills training for the staff responsible for implementing specific financial procedures. *For example, employees in departments whose jobs involve contracting, supplier payments, and staff expense reimbursements, such as Procurement, Vendor Management and Finance must understand the applicable legal requirements and company policies and procedures with which they must comply.*

✔ Post your business ethics policy and local laws and regulations where workers can read them easily and in a language they understand. Business ethics laws and regulations can be hard to explain and understand. *To easily communicate the messages, your employees need to understand and to serve as a constant visual reminder, consider displaying anti-corruption posters with simple messages such as "don't give – don't take" on notice boards and other places employees will see them.*

Everyone in your workplace needs to know the rules and their responsibilities.

Everyone in your operation needs to know your business ethics rules and their responsibilities for following them. This includes contractors and service providers – especially those who interface with government agencies, such as logistics providers, construction contractors and labour agents, and whose work could result in a business ethics issue, such as bribery and corruption involved in obtaining government permits and approvals.

You should communicate your business ethics standards and legal requirements to your on-site service providers in contract terms and conditions and during periodic business reviews.

Improvement

To address any issues you find through monitoring and improve your compliance with business ethics standards, it's essential that you understand the root cause of the issue first. Only then can you adjust your management system (the elements and actions listed above) to keep the problem from happening again.

For example, if you find that the procurement department has been issuing contracts to suppliers without following the company's requirement to receive competitive bids, you will need to look into such questions as: have

the company's procurement staff been trained on the competitive bid policy and procedure; without multiple bids, what factors were considered to issue supplier contracts (for example, exemplary performance over the course of the previous contract, an agreed price reduction for contract renewal, etc.); or is there any evidence that the award process was unduly influenced by employee conflicts of interest or by lavish gifts or bribes offered by the supplier?

You can use the 5 Why exercise to help you identify the root cause. See diagram below

Use the 5 Whys to help with Root Cause Analysis

Problem
Employees make facilitation payments to customs officials

WHY? They understood it to be accepted department practice

WHY? They were following direction from the Logistics Manager

WHY? They were told that if they refused they would be fired

WHY? The Logistics Mgr felt under pressure to meet quota

WHY? Factory manager only emphasized production goals with his staff

Solution
1. Review and revise the customs approval procedure
2. Re-train employees on the customs approval procedure
3. Ensure all employees are trained on the whistle blower procedure and non-retaliation policy.
4. Routinely monitor payments to customs officials.

The basic rules for responding to any issue are:

✔ Implementing both corrective and preventive action to address each identified root cause, so that the problem does not recur and the solution itself does not create other problems. For example, you may provide bid process training and / or re-training for procurement staff and have procurement employees complete conflict of interest disclosures. You can review gifts and payments received to eliminate the possibility that staff members were unduly influenced either by a personal or financial interest in a particular supplier, or by a practice of suppliers providing lavish gifts to procurement staff **(preventative actions)**. You may also open existing contracts to competitive bidding **(corrective action)**

✔ Assigning task owners, milestones, and completion dates for any improvement actions.

✔ Making sure that your employees know how to follow any new or revised procedures you have developed to address a risk through initial and refresher training as needed.

✔ Monitoring whether the adjustment in your procedures and supporting training have been made, and whether they are producing the desired result.

Root Cause Analysis: Attempting to Influence Audit Results

A footwear manufacturer was undergoing an audit to its customer's supplier code of conduct. In evaluating the supplier's compliance with the requirement to pay workers for all hours worked, the auditor discovered that the factory maintained two sets of records – one to show auditors that it was in compliance with legal and customer requirements, and the other that served as the basis of actual payroll calculations, showing that workers were not paid a premium rate for overtime work.

When confronted with this discovery at the closing meeting, factory management apologized for the "error" and asked if they could give the auditor a gift so that the finding would not appear in the report. The auditor politely turned down the offer and explained her company's ethics policy, including the prohibition of receiving gifts or bribes to influence the audit findings.

The auditor promptly reported the situation to her manager and the supplier relationship manager. The supplier relationship manager informed the factory that the company would suspend placing new orders with the factory until it could demonstrate that it had taken verifiable actions to ensure it had corrected the double-booking practice.

The root cause analysis found that department supervisors and managers had not received business ethics training and the supplier did not monitor its practices to ensure compliance.

Another root cause identified was that the customer had lowered the price it paid the factory per pair of sandals for three consecutive years, without determining if the price reduction would inhibit the ability of the supplier to pay legal wages to all workers. Part of the solution was for the customer to ensure that its pricing practices allowed the supplier to meet its compliance requirements.

Frequently Asked Questions

Do I need a separate management system for business ethics management?

No. The most efficient way to apply a management system approach to meeting business ethics standards is to use your current business management system, which can be easily adapted to help your company meet business ethics and other social responsibility standards. You should evaluate your current processes for procurement, vendor management, data management, and training to make sure you have the right controls in place. For example, every company needs to select and manage on-site services providers. To make sure vendors are selected fairly, you need to make sure that supplier-facing staff do not have any conflicts of interest that could influence their choice of vendors and that vendors do not try to influence your employees' decision-making by offering valuable gifts or other financial incentives.

Of course, once you have put the necessary controls in place you will need to do regular checking (monitoring) to be sure they are effective.

Won't a management system require a lot of documentation and other complexity?

This is a very common concern, but a business ethics management system does not need to be any more formal or complex than the system you use to manage your business. For example, a procedure can be as simple as a short list of what is to be done, by whom, and how often.

As for records, you only need to maintain items that are needed to verify that you are meeting standards, such as inspection and maintenance records, training records, audit reports, and permits.

My company has a certified Quality Management System. Can we use this system for business ethics?

Yes. In fact, any company that has a formal management system, like ISO 9001, can also use it to manage compliance to business ethics standards rather than creating a separate business ethics management system. The risk assessment, regulatory tracking, training, communication, auditing, **corrective action**, and other elements of these systems can be very easily adapted for business ethics management.

What if we don't already have a formal management system. Are there any standards we can follow?

Yes, ISO37001 is the one management system standard in particular that was developed specifically to address bribery and other business ethics issues.

● **ISO37001 – Anti-Bribery Management Systems. ISO 37001** is an internationally agreed standard that sets out the requirements for a business ethics management system. It can help companies prevent, detect and address bribery by adopting an anti-bribery policy, appointing a person to oversee anti-bribery compliance, training, risk assessments and due diligence on projects and business associates, implementing financial and commercial controls, and instituting reporting and investigation procedures.

What is Plan-Do-Check-Act?

Plan-Do-Check-Act is a way of describing a management system to show how risks are controlled and processes and performance are continually improved. It is the framework on which all of the ISO management system standards are based, including ISO 9000, ISO 14001 and ISO 37001.

● **Plan** means to identify requirements (laws and standards), evaluating risks that may prevent you from meeting those standards, and establishing objectives and processes needed to meet standards and achieve objectives.

● **Do** means assigning responsibilities, implementing your policies and procedures, and training and communicating.

● **Check** is making sure that you are achieving your objectives and meeting standards. This involves measuring performance using KPIs, performing audits, surveying workers, and other ways to evaluate how you are doing.

● **Act** is taking corrective and preventive actions when your results are different from your goals, such as when audits find non-compliances. This step also includes a regular review by senior management of the suitability and effectiveness of your overall system. Outcomes and decisions from that review are used to **Plan** system improvements.

Resources and Guidance

The following sources provide further details on international standards for labour management systems.

- Sedex Members Ethical Trade Audit (SMETA) Best Practice Guidance: **https://cdn.sedexglobal.com/wp-content/uploads/2019/05/SMETA-6.1-Best-Practice-Guidance.pdf**

- Organisation for Economic Co-operation and Development:

  - OECD Guidelines for Multinational Enterprises - **https://www.oecd.org/daf/inv/mne**

  - OECD Due Diligence Guidance for Responsible Business Conduct - **https://mneguidelines.oecd.org/due-diligence-guidance-for-responsible-business-conduct.htm**

- International Organization for Standardization (ISO): ISO 37001 Anti-Bribery Management Systems: **https://www.iso.org/iso-37001-anti bribery-management.html**

- Ethics and Compliance Initiative (ECI):

  - ECI Ethics and Compliance Toolkit - **https://www.ethics.org/resources/free-toolkit/**

- Ethical Trading Initiative (ETI) Blog: OECD Due Diligence Guidance for Responsible Business Conduct: **https://www.ethicaltrade.org/blog/businesses-need-to-act-now-human-rights-or-face-consequences-later-and-oecd-has-set-standard**

Signposts to Training

- Verité: **http://www.verite.org/Training**

- ETI, Essential of Ethical Trade: **http://www.ethicaltrade.org/training/essentials-ethical-trade**

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Key Terms

- **Bribery** is the practice of offering money or something of value in exchange for obtaining preferential treatment or improper advantage.

- **Business ethics** is the application of moral principles to business behaviour. It defines the principles that companies should apply to business decision-making.

- **Corrective Action:** is the implementation of a systemic change or solution to make an immediate and on-going remedy to a non-compliance.

- **Corruption** is fraudulent or dishonest behaviour or inducing improper behaviour by unlawful means, such as bribery

- **Improper Advantage** is obtaining something to which the company is not entitled, such as a government approval or permit, by means of a bribe or other unethical practice.

- A **management system** is how a company gets things done. It is made up of interdependent policies, processes, and procedures organized to enable a company to achieve its business objectives (quality products, on-time delivery, profitability) and meet code of conduct expectations.

- A **policy** is a statement of commitment to what the company hopes to achieve. For example, "our company will not work with suppliers who employ child labour."

- **Preventive Action:** is the implementation of a systemic change or solution designed to prevent the recurrence of the same or similar issues elsewhere in the facility.

- A **process** is a major part of the system, consisting of a set of actions and procedures that together make up a business function. For example, the recruitment, selection and hiring process is designed to hire the right person for the job at the right time.

- **Procedures** (also referred to as "controls") are step-by-step descriptions of how a job or task within a process is done; by whom and when. For example, a procedure to verify the age of a job applicant is part of the recruitment process.

- **Risk controls** are procedural steps or improvements made to address the possibility of an unintended outcome. For example, steps to validate the authenticity of a job applicant's proof of age documentation are designed to reduce the risk of hiring an underage worker.

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The four Management System guidance documents were developed by Sedex with Verité's input.

They are aligned with the Plan-Do-Check-Act continuous improvement approach used by ISO and other international management systems standards. In this guidance, we split management systems into 4 sections; Policy and Resources, Processes and Procedures, Monitoring, and Training and Improvement.

Verité's recommended structure for Management Systems steps is that "Monitoring" follows "Training and Improvement," but these guidance documents list "Monitoring" first in order to align with the management controls report, which members receive on completion of the SAQ.